

5 NOV 1963

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Honorable Carl Vinson  
Chairman  
Committee on Armed Services  
House of Representatives  
Washington 25, D. C.

Dear Mr. Chairman:

From time to time during my tenure of office I have discussed with your Special Subcommittee on the Central Intelligence Agency the positions of the Director of Central Intelligence and of the senior officials of the Central Intelligence Agency in relation to the position of others in Government carrying comparable responsibilities. This is related to the pay categories established by law.

As I told you, this was of no particular concern to me personally; however, I believe that the obvious inequity which currently exists does have a deleterious effect on the Agency and, if continued, will have an effect on the future Agency personnel, including future Directors and their Deputies.

The bill introduced by Mr. Udall (H. R. 3716) made an effort to correct this situation in a manner satisfactory to the President, the Bureau of the Budget, and to me. This bill placed the Director of Central Intelligence in Level II of the Federal Executive Salary Schedule (parallel to the Deputy Secretary of Defense, the Under Secretary of State, the Director of the Bureau of the Budget, the Administrator of NASA, the Administrator, Agency for International Development, and others). Likewise, the Deputy Director was placed in Level III, and Levels IV, V, and VI were available for other senior officials of the Central Intelligence Agency.

The bill now reported out of Committee (H. R. 3986) has changed this, and the Director of Central Intelligence is placed one grade below the level at which that position was set by the

Udall bill. In other words, the Director of Central Intelligence is in Level III with all other positions and a level below the Deputy Secretary of Defense, the Under Secretary of State, and the Administrators of AID and NASA. No specific provision is made in the new bill for the Deputy Director, so he would be in Level IV and other senior officials in Level V and lower.

The explanation given me is that this change was made because of a limitation that no increase in the pay scale could exceed \$10,000 a year. However, the wording of the bill indicated that this is not entirely correct. For instance, the Chairman of the Federal Reserve Board under this restriction would be in Level III; however, he appears in Level II. Also, the Director of the United States Information Agency is placed in Level II, although the above limitation would place him in Level III. This indicates that flexibility had been applied in some instances.

In connection with the role of the Director of Central Intelligence in Government, the President in his letter to me of January 16, 1962, outlining my duties, made clear that the Director is responsible for the coordination and effective guidance of the total U. S. foreign intelligence effort and that in carrying out his task the President expects the Director to work closely with the heads of all departments and agencies having responsibilities in the foreign intelligence field. It is my opinion that if the bill (H. R. 8966) remains as reported out by the Committee serious damage will result to the intelligence community and to the Central Intelligence Agency. The effectiveness of future Directors and Deputy Directors will be impaired. The damage to the Agency will not be felt immediately but most certainly will be reflected in recruitment failures and a resulting impairment in our ability to secure the services of the most competent people in senior positions in the Agency in the future.

Because of your Committee's particular and special interest in the Central Intelligence Agency, and because you are one Committee of the House that I can appeal to in this matter, I urge that this bill be amended to rectify the inequity as it now appears in the bill. The ~~enacted bill~~ amendments would in effect re-establish the classifications included in the original Udall bill.

Sincerely,

  
John A. McCone  
Director

ILLEGIB

orig. Draft - DCI

OGC:LRH:jeb

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